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United States General Accounting Office  
Washington, DC 20548

March 20, 2002

The Honorable John McHugh  
Chairman  
The Honorable Vic Snyder  
Ranking Member  
Military Personnel Subcommittee  
Committee on Armed Services  
House of Representatives

Subject: Military Personnel Strengths in the Army National Guard

The accuracy of reported personnel strength and training participation rates has a direct impact on the reliability of the Army National Guard's budget and the allocation of funds to individual states. If either the reported strength levels or the participation rates for a given fiscal year are more or less than the actual numbers, the funds required to pay Guard personnel will be either overstated or understated. Congressional concerns about the reported military personnel strengths of the Army National Guard have emerged as a result of recent media coverage of the Guard's so-called ghost soldiers.<sup>1</sup>

As a result of those concerns, you asked us to provide information on (1) the Guard's personnel strength levels and training participation rates and (2) the Guard's efforts to improve the accuracy of reported strength levels and participation rates. To respond to your request, we drew on findings from our annual review of the Department of Defense's military personnel budget requests and the Army National Guard's military personnel data for fiscal years 2000 and 2001 and the first quarter of fiscal year 2002. The scope and methodology for our review is discussed on page 5.

### **Results in Brief**

The Army National Guard's fiscal years 2000 and 2001 funding requests were overstated by \$42.9 million and \$31.6 million, respectively, because the Guard used inaccurate military strength and participation rates to develop its projected and actual military force levels. Additionally, to develop its training budget needs, it used a mathematically derived training participation rate based on expected program costs rather than on the actual number of personnel being trained. By using these inaccurate figures, the Guard overstated its overall military personnel strength and

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<sup>1</sup> "Ghost soldier" is a slang term used for soldiers who remain on strength reports but who are, in fact, no longer participating in training and who should be removed from these reports.

## Report Documentation Page

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<b>Abstract</b> The accuracy of reported personnel strength and training participation rates has a direct impact on the reliability of the Army National Guards budget and the allocation of funds to individual states. If either the reported strength levels or the participation rates for a given fiscal year are more or less than the actual numbers, the funds required to pay Guard personnel will be either overstated or understated. Congressional concerns about the reported military personnel strengths of the Army National Guard have emerged as a result of recent media coverage of the Guards socalled ghost soldiers.1		
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the amount of its annual funding requests to Congress.

The Army National Guard is currently taking steps to correct these overstatements. It is placing more emphasis on an existing personnel database reporting system that identifies the personnel who are assigned to a unit but have not been paid for inactive duty training for 3 months or more. By doing this, the Guard can ensure that unit commanders remove these personnel from unit strength reports if they are no longer determined to be drilling reservists.<sup>2</sup> The Guard has also improved the method it uses to calculate inactive duty training participation rates, now basing the rate on the number of people who have actually been paid for training.

### **Personnel Strength Figures and Training Participation Rates Were Overstated**

Our analyses of the Army National Guard's military strength projections for fiscal years 2000 and 2001 showed that the Guard overstated its personnel strength because it relied on inaccurate military personnel strength data, which included individuals who should not have been considered in the calculation of strength numbers for inactive duty training. As a result, we estimated that the budget requests for those two fiscal years were overstated by \$42.9 and \$31.6 million, respectively.

The Guard can remove an individual from strength reports after 3 months if it determines that the person is no longer in the program. In order to help commanders identify these individuals, the Guard publishes a monthly Non-Validation of Pay Report (NO-VAL). Unit commanders review the status of individuals on this report and determine if they should be excused, removed, or reclassified to a non-drilling status in the Guard's strength reports. Because each personnel action is unique, there is little guidance as to how long a unit commander's review and the processing of paperwork should take. We used the 7-month rather than the 3-month period to estimate the accuracy of reported strength for drilling personnel because there are a number of circumstances that would cause a person not to be paid for more than three months and still be included in unit strength figures. These reasons include their movement from one unit to another, their inability to perform training for medical reasons, and their being paid late for training performed. Guard officials agreed that it would be reasonable to expect unit commanders to adjust unit strength if an individual has not been paid for at least 7 months or more.

Our analysis of the Army National Guard's military personnel database used to develop the NO-VAL showed that about 4,048, or 1.3 per cent, of the 301,140 drilling reservists should have been dropped from the fiscal year 2000 end strength and about 4,254, or 1.4 per cent, of the 296,430 drilling reservists should have been removed from the fiscal year 2001 end strength. Enclosure I shows the number of personnel,

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<sup>2</sup> An individual required to perform 2 weeks of annual training and weekend drills (inactive duty training).

by state, who were not paid for 3 and 7 or more consecutive months as of the end of fiscal years 2000 and 2001.

In looking at the Army National Guard's method for calculating its inactive duty training participation rates, we found that in the past the rates were inaccurate because they did not correctly identify the actual number of personnel who were, in fact, in training. Instead, the Guard relied on a mathematically derived participation rate, which was based on expected program costs, estimated training costs, and military strength figures, to come up with a total number of military personnel who were expected to train. This method resulted in inactive duty training participation rates that were higher than they should have been. For example, when we examined the Guard's fiscal year 2001 budget, we found that the Guard had determined—using mathematically derived rates from fiscal year 1999 numbers—that about 91 percent of its officers and 84 percent of its enlisted personnel would participate in inactive duty training. However, when we compared the number of personnel who had actually been paid for inactive duty training in 1999 with the mathematically derived numbers, we found that 88.7 percent of officers and 81.3 percent of enlisted personnel had actually trained.

#### **Steps Underway to Improve the Accuracy of Military Personnel Strengths and Training Participation Rates**

The Army National Guard's methods of determining military personnel strength and inactive duty training participation rates have improved.

In the course of our budget work we made a number of suggestions on how the Army National Guard could improve its budget formulation methods. As a result, the Guard has changed the method it uses to calculate inactive-duty training participation rates and is now basing them on the number of people who have actually been paid for training. In addition, the Guard has placed more command attention on the accuracy of reported military personnel strength and the number of NO-VAL personnel retained in the reporting system. Between October 31, 1999, and December 31, 2001, the number of individuals reported on the Guard's NO-VAL report has declined from 16,264 to 9,627. Enclosure II shows this trend.

Our review of the December 2001 military personnel database indicates that some state commanders are using the NO-VAL report to identify inaccuracies in reported personnel strength. For example, between November and December 2001, the number of assigned drilling personnel was reduced from 297,846 to 297,226, or less than 1 percent, while personnel on the NO-VAL report declined from 11,133 to 9,627, or about 14 percent. The state of Texas had the largest decrease in both strength and NO-VAL personnel. Its assigned drilling personnel strength numbers fell from 14,522 to 13,695, about 6 percent, and its personnel on the NO-VAL report declined from 1249 to 361, a 70 percent reduction.

## **Scope and Methodology**

To provide information on the Guard's personnel strength and participation rates, we drew on our prior work and analyzed DOD's military personnel budgets, comparing requests for fiscal years 2000 and 2001 to actual personnel data for October 1999 to December 2001. In addition, we obtained and analyzed the database used to produce the monthly NO-VAL reports for fiscal years 2000 and 2001. We also discussed our observations with Army National Guard officials at the headquarters level and officials at the Office of the Secretary of Defense, Reserve Affairs. Additionally, although we utilized the Guard's data in our analyses, we did not test this data to ascertain its accuracy.

## **Agency Comments**

We discussed a draft of this letter with Army National Guard officials. They generally agreed with our observations and stated that, in the past, reported personnel strength levels might have been unintentionally overstated. The Guard stressed that it has recognized the problems it had in calculating participation rates and in adjusting military personnel strength levels and is taking action, as discussed above, to correct both.

The Office of the Secretary of Defense, Reserve Affairs, generally agreed with our observations. We will continue to work with the Guard and the Office of the Secretary of Defense, Reserve Affairs, to improve the accuracy of reported strength and participation rates used in the budget formulation process.

As arranged with your office, unless you announce its contents earlier, we plan no further distribution of this report until 30 days after the date on this letter. At that time, we will make copies of this letter available to other appropriate congressional committees and place a copy on GAO's home page at <http://www.gao.gov>. If you have any questions concerning the information provided, please call me on (202) 512-5559 or R. L. Furr on (202) 512-5426.



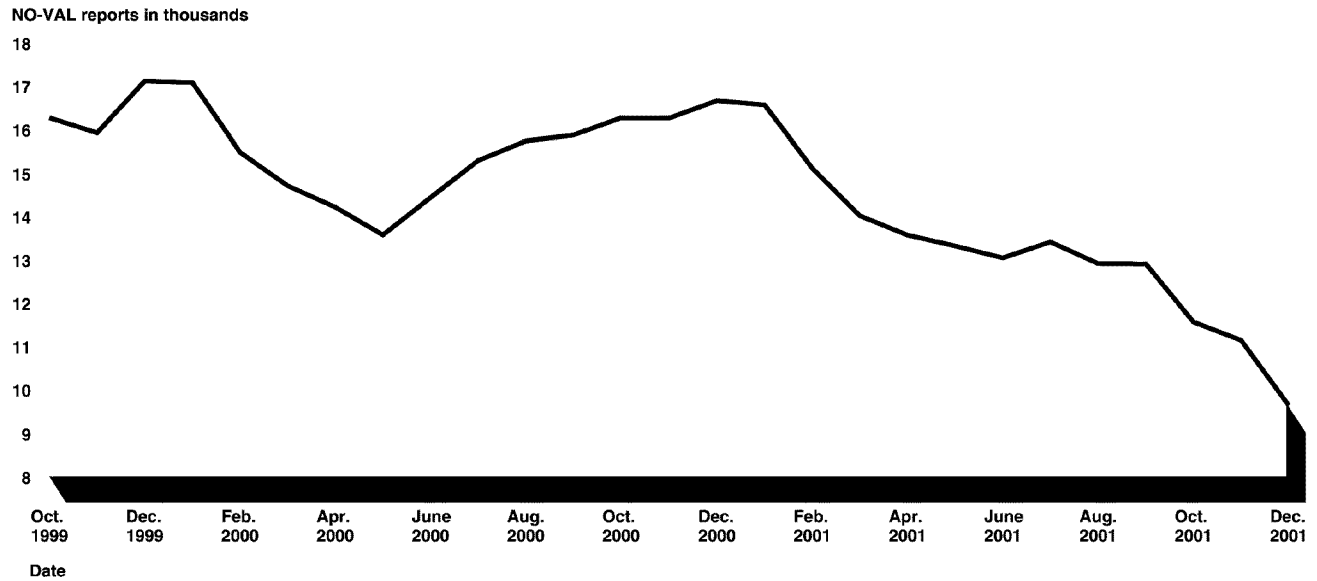
Derek B. Stewart  
Director, Defense Capabilities  
and Management

Enclosures – 2

Number of Army National Guard Members Not Paid for 3 and 7 or More Consecutive Months										
State	September 30, 2000					September 30, 2001				
	Assigned <sup>a</sup>	3 months	%	7 months	%	Assigned <sup>a</sup>	3 months	%	7 months	%
Alabama	11,837	368	3.1	132	1.1	11,184	274	2.4	132	1.2
Alaska	1,457	179	12.3	77	5.3	1,356	107	7.9	65	4.8
Arizona	3,276	70	2.1	7	0.2	3,239	34	1.0	8	0.2
Arkansas	7,090	200	2.8	70	1.0	7,139	246	3.4	118	1.7
California	13,965	444	3.2	112	0.8	13,918	524	3.8	238	1.7
Colorado	2,703	68	2.5	19	0.7	2,586	50	1.9	11	0.4
Connecticut	3,173	71	2.2	28	0.9	3,193	177	5.5	90	2.8
Delaware	1,410	42	3.0	11	0.8	1,388	30	2.2	9	0.6
District of Columbia	1,333	83	6.2	35	2.6	1,269	43	3.4	17	1.3
Florida	8,564	382	4.5	178	2.1	8,485	276	3.3	142	1.7
Georgia	7,556	340	4.5	114	1.5	7,178	192	2.7	81	1.1
Guam	534	4	0.7	0	0.0	548	4	0.7	0	0.0
Hawaii	2,427	74	3.0	34	1.4	2,436	54	2.2	25	1.0
Idaho	2,190	18	0.8	3	0.1	2,156	28	1.3	10	0.5
Illinois	8,439	326	3.9	115	1.4	8,162	242	3.0	116	1.4
Indiana	10,099	574	5.7	218	2.2	10,794	472	4.4	221	2.0
Iowa	6,191	120	1.9	43	0.7	6,078	128	2.1	56	0.9
Kansas	5,429	220	4.1	48	0.9	5,128	169	3.3	85	1.7
Kentucky	5,509	153	2.8	62	1.1	5,563	107	1.9	30	0.5
Louisiana	8,317	122	1.5	50	0.6	8,379	112	1.3	62	0.7
Maine	1,931	36	1.9	4	0.2	1,930	43	2.2	16	0.8
Maryland	5,434	261	4.8	100	1.8	5,249	195	3.7	100	1.9
Massachusetts	6,534	245	3.7	82	1.3	6,145	150	2.4	62	1.0
Michigan	7,404	190	2.6	68	0.9	7,441	172	2.3	77	1.0
Minnesota	8,145	177	2.2	30	0.4	8,000	123	1.5	47	0.6
Mississippi	8,015	140	1.7	50	0.6	7,840	98	1.3	42	0.5
Missouri	6,574	227	3.5	78	1.2	6,614	198	3.0	90	1.4
Montana	2,099	44	2.1	16	0.8	1,989	35	1.8	15	0.8
Nebraska	2,835	142	5.0	41	1.4	2,643	21	0.8	8	0.3
Nevada	1,389	46	3.3	7	0.5	1,466	21	1.4	5	0.3
New Hampshire	1,455	22	1.5	6	0.4	1,431	19	1.3	8	0.6
New Jersey	6,170	682	11.1	282	4.6	5,984	659	11.0	437	7.3
New Mexico	2,562	89	3.5	22	0.9	2,601	103	4.0	27	1.0
New York	10,368	460	4.4	172	1.7	9,831	262	2.7	103	1.0
North Carolina	8,572	393	4.6	132	1.5	8,580	379	4.4	216	2.5
North Dakota	2,753	16	0.6	5	0.2	2,728	17	0.6	7	0.3
Ohio	8,124	132	1.6	31	0.4	8,594	110	1.3	25	0.3
Oklahoma	6,184	192	3.1	81	1.3	6,055	132	2.2	42	0.7
Oregon	5,046	182	3.6	82	1.6	4,915	100	2.0	52	1.1
Pennsylvania	13,748	349	2.5	140	1.0	13,719	362	2.6	204	1.5
Puerto Rico	7,471	149	2.0	72	1.0	7,497	148	2.0	68	0.9
Rhode Island	2,198	110	5.0	38	1.7	2,018	63	3.1	29	1.4
South Carolina	8,279	397	4.8	208	2.5	7,826	159	2.0	87	1.1
South Dakota	2,917	34	1.2	8	0.3	2,859	32	1.1	12	0.4
Tennessee	9,422	236	2.5	107	1.1	9,310	167	1.8	99	1.1
Texas	14,546	1,259	8.7	505	3.5	14,138	865	6.1	490	3.5
U.S. Virgin Islands	640	36	5.6	18	2.8	606	25	4.1	16	2.6
Utah	4,005	117	2.9	30	0.7	3,923	105	2.7	39	1.0
Vermont	2,689	136	5.1	58	2.2	2,555	99	3.9	48	1.9
Virginia	6,339	225	3.5	92	1.5	6,256	165	2.6	95	1.5
Washington State	4,728	227	4.8	62	1.3	4,680	175	3.7	82	1.8
West Virginia	3,404	66	1.9	18	0.5	3,407	50	1.5	22	0.6
Wisconsin	6,418	104	1.6	29	0.5	6,228	152	2.4	54	0.9
Wyoming	1,243	46	3.7	18	1.4	1,193	28	2.3	14	1.2
Total	301,140	11,025	3.7	4,048	1.3	296,430	8,701	2.9	4,254	1.4

<sup>a</sup>Assigned includes only Army National Guard members required to perform 2 weeks of annual training and weekend drills.

Army National Guard Monthly  
NO-VAL Reports on Individuals Not Paid for Inactive Duty Training  
for 3 Months or More  
(October 31, 1999 to December 31, 2001)



Note: The graph shows a decline from 16,264 in October 1999 to 9,627 in December 2001.

Source: U.S. Army National Guard monthly NO-VAL reports.